



## FINANCIAL PLANNING IN THE REGIONS AS A TOOL FOR THE STRATEGIC DEVELOPMENT OF THE ENTERPRISE OF UZBEKISTAN

*Abdullaev Muzaffar Abdujabbarovich*

*Candidate of Economics, Doctoral student of the Institute for Macroeconomic and Regional Studies SPIN-  
kod: 7523-2766 muzaffara@mail.ru*

### Abstract

*The article substantiates the indicators for evaluating the effectiveness of financial planning, depending on the level of management of this process, which allow assessing the state of the economic system and ensuring effective management of financial resources.*

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Under the development strategy of the enterprise, we mean the system of long-term goals of the enterprise, ensuring non-negative growth rates in the planned period, methods, means, organizational mechanisms and tools for achieving them, as well as the existing economic potential, ensuring the creation of competitive advantages of the enterprise [1]. The main goal of the development strategy is to ensure the long-term competitiveness of the enterprise.

The final part of the comprehensive strategic, current and operational planning of the company's development is financial planning.

Analysis of approaches to the definition of the term "financial planning" showed the existence of its various interpretations:

- some scientists define it as a process of analyzing the financial capabilities of an enterprise, forecasting and choosing the best solution [2];
- others – as a process of developing a system of financial plans and financial indicators [3];
- third - as management of the processes of creation, distribution, redistribution and use of financial resources [4].

From our point of view, it is necessary to specify the definition of financial planning, taking into account, firstly, the relationship between financial planning and the basic (general corporate) goals of the company's development, and secondly, the objects of financial planning, which are distinguished by financial indicators characterizing the directions and efficiency of the use of financial resources, sources of their formation, the system of financial relations of the enterprise.

Based on this, in our understanding, financial planning is the process of forming the financial goals of an enterprise determined by the general objectives of its development, as well as developing a system of

methods, means, organizational mechanisms and tools for achieving them through effective management of the processes of formation, distribution and use of financial resources and financial resources. relations of the enterprise reflected in the system of financial plans.

In the general theory of system analysis, a system is understood as a set of elements that are in certain relationships with each other and with the environment. In accordance with this definition, we single out the basic elements of the financial planning system:

- general goals and objectives of the enterprise development;
- the financial goals of the enterprise;
- the period of validity of financial plans;
- system of financial plans (strategic, current, operational plans and budgets);
- organizational structure of the financial management system of the enterprise;
- personnel of the financial service and methods of its stimulation;
- the financial structure of the business processes of the enterprise;
- financial indicators (objects of financial planning);
- methods and tools of financial management;
- risks (limitations) of financial activity.

The literature describes the general principles of enterprise planning [5], within which it is possible to define the financial planning process, which includes the following stages.

1. Formation of long-term goals of the financial activity of the enterprise.
2. Analysis of the financial environment of the enterprise.
3. Clarification of the long-term goals of the financial activity of the enterprise.
4. Development of the financial policy of the enterprise.
5. Formation of a portfolio of financial strategic alternatives (within the framework of functional areas, strategic business zones).
6. Formation of the supporting functions of the process of implementing financial plans.
7. Organization of control over the implementation of financial plans.
8. Organization of monitoring the effectiveness of financial planning.

One of the important elements of the financial planning system is the financial strategy. In the work of L.I. Zhurova [6], the financial strategy of an enterprise is understood as a system of long-term goals of the financial activity of an enterprise, as well as methods, means, organizational mechanisms and tools for achieving them.

Budgeting is an important tool for implementing a financial strategy. There is no unambiguous interpretation of this term, research results show that budgeting means:

- the process of developing budgets [7];
- the process of planning the activities of the enterprise as a whole through the formation of a system of budgets [8];
- technology for managing the financial and economic activities of an enterprise [9].

It should be noted that many authors do not distinguish between the concepts of "plan" and "budget". As a rule, a plan is understood as a document that reflects a system of interrelated decisions aimed at achieving

the desired result. Unlike the plan, the budget should also reflect the resources needed to achieve the goals. The financial budget includes monetary indicators that reflect the need for financial resources, their receipt and expenditure.

Its task is to financially express those targets and quantitative indicators that are set by other budgets.

Thus, summarizing the above approaches to the definition of budgeting, we can conclude that budgeting is:

- on the one hand, the process of formation, coordination, approval, execution, control over the actual execution of budgets, including analysis and adjustment, if necessary;
- on the other hand, the technology of managing the processes of formation, distribution and use of material, labor, financial and other resources of the enterprise, ensuring the achievement of the goals of the basic (corporate) strategy of the enterprise.

In the role of the coordinator of the financial planning process, depending on the scale, types of activities, organizational structure of the enterprise, planning and economic, financial services can act. To administer the budgeting process at large enterprises, as a rule, a structural unit is created (budget department, budget committee), which establishes the budgeting procedure, coordinates the development and adoption of budgets, and monitors their implementation.

At large enterprises and corporations, in order to ensure an effective process for the development and implementation of financial plans, the financial structure of the enterprise's business processes is formed by allocating appropriate centers of financial responsibility (centers of income, costs, profits, investments). At the same time, in corporations, the centers of responsibility can be both enterprises that are part of the corporation, and individual structural divisions of these enterprises.

To assess the effectiveness of financial planning, it is necessary to develop a system of performance indicators. The indicators of this system should be related to the objectives of the development strategy: increasing the share of the sales market, expanding into new industries, increasing the value of the enterprise.

In our opinion, a holistic assessment of the effectiveness of financial planning should take into account the relationship between the system of strategic, current and operational financial plans and the strategic goals of the company (corporation). At the same time, it is necessary to assess the contribution of each level of management and structural unit to the achievement of financial goals.

To imply this in corporate structures, the following levels of management and directions for evaluating efficiency can be distinguished:

1) shareholders; 2) general corporate level; 3) the level of corporate elements (companies included in the corporation); 4) the level of functional areas of activity of companies. A generalized version of the proposed system of indicators is presented in Table 1.

The use of this system of evaluation indicators will allow assessing the actual state of the corporate system and, if necessary, developing a system of corrective measures to ensure its effective target state.

**Table 1. The system of evaluation indicators of the effectiveness of corporate financial planning**

Management levels		Financial planning goals	Performance indicators
1. Shareholders		Maximizing the market value of a corporation	Market value of the corporation, share price, dividends, return on equity
2. Corporate level		Ensuring the stable financial position of the corporation, increasing profits, profitability	Indicators of profit and profitability, level of solvency and financial stability
3. Corporate elements level		Increasing the profits and profitability of the companies that are part of the corporation, ensuring their stable financial position	Income, expenses, net profit, receivables and payables, own and borrowed capital, fixed and current assets
4. Functional spheres of activity	Logistics ensuring	Ensuring the need for capital for the formation of inventories	Inventory acquisition costs, inventory value, accounts payable
	Production	Providing financial resources for the production process, expanding production	Cost of production, profitability of products, operating leverage, efficiency of real investments, own working capital
	Marketing	Ensuring the specified volumes / growth of income and profits, stability of cash receipts, growth of profitability of sales	Sales revenue and profit, return on sales, receivables
	R&D	Meeting the need for capital to finance R&D	R&D costs, efficiency of innovative projects
	Personnel	Ensuring the need for financial resources for remuneration, training and advanced training of personnel	Salary, bonuses, premiums, benefits
	Finance	Providing the necessary financial resources for the current and investment activities of the enterprise	Profitability and turnover of assets, equity and debt capital, share of equity capital, liquidity indicators

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